HOUSE No. 1564

By Mr. Cabral of New Bedford, petition of Bruce E. Tarr and others that insurance companies be prohibited from designating glass companies for the repair of motor vehicles. Financial Services.

The Commonwealth of Massachusetts

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Bruce E. Tarr Emile J. Goguen Dianne Wilkerson

In the Year Two Thousand and Five.

AN ACT PROHIBITING INSURANCE COMPANIES FROM DESIGNATING GLASS COMPANIES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. Notwithstanding any provisions of any general or
- 2 special law to the contrary, no insurance company, agent, or
- 3 adjuster for such insurance company that issues or reviews in the
- 4 commonwealth any policy of insurance covering in whole or in
- 5 part any motor vehicle may require that any person insured under
- 6 said policy use a particular company or location for the providing
- 7 of automobile glass replacement or repair services of products
- 8 insured in part by that policy, unless in conformance with
- 9 section 4 of this act.
- 1 SECTION 2. No insurance company, agent or adjuster for said
- 2 insurance company may engage in any act or practice of intimida-
- 3 tion, coercion, threat or inducement for or against any such
- 4 insured person to use a particular company or location to provide
- 5 such services or products. Nor shall such insurance company,
- 6 agent or adjuster provide for, allow or facilitate telephone claim
- 7 information directly to preferred automobile glass repair shops,
- 8 unless in conformance with section 4 of this act.

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- 1 SECTION 3. The provisions of section 1 and section 2 are 2 applicable only to auto glass repair shops registered under the pro-3 visions of chapter 100A, and who will accept payment from insurance companies according to pricing discounts published and set 5 from time to time by said insurance companies. Any violations of 6 this chapter are subject to the provisions of chapter 93A.
- 1 SECTION 4. Insurance companies that offer insureds glass dis-2 count programs or require glass replacement or repair shops to work for a discounted price, shall comply with the following 4 requirements:
- (a) Notice shall be provided thirty days prior to the start of a 6 discount program to all glass replacement or repair shops registered under the provisions of Chapter 100A of the carriers intent to solicit participation in its automobile glass discount program.
- (b) Glass replacement or repair shops registered under the pro-10 visions of chapter 100A and who agree to abide by the discount program set forth by an insurance company must be added to such program or preferred provider list.
- (c) Insurance companies shall give the names of all partici-13 14 pating glass shops or the names and phone numbers of all participating glass shops verbally and/or in writing that are within a 16 fifteen mile geographical location of the insured residence or place of business. No insurance company shall deviate from the provisions hereof. 18
- 19 (d) No entity that assists an insurance company in imple-20 menting, developing, managing, or servicing the program to be put into effect by such insurer shall be eligible to participate in 22 such program as a glass replacement or repair shop and the Commissioner of the Division of Insurance shall have the authority to enforce the provisions of this section.
- (e) The Commissioner of the Division of Insurance shall set the 25 26 safety standards and regulations for the installation of auto glass 27 in the Commonwealth by January 1, 2006.